

(Unofficial Translation)

Announcement of the Board of Investment

No. 19/2565

Investment Promotion Measure in Special Border Economic Zones

Subsequent to the Announcement of the Board of Investment No. 8/2565 regarding Policies and Criteria for Investment Promotion, and the Announcement of the Board of Investment No. 9/2565 regarding Measures to Promote Investment in Industries that are important to the Country's Development;

To encourage continued investment in Special Border Economic Zones and to distribute the socioeconomic growth at both local and regional levels thoroughly, by virtue of Sections 16, Section 18, Section 31, and Section 35 of the Investment Promotion Act B.E. 2520 (1977), the Board of Investment hereby issues the following announcement:

1. Special Border Economic Zones refer to the areas specified by the National Committee on the Development of Special Economic Zones as Special Economic Zones and specified as the investment promotion zones.

2. The targeted activities in Special Border Economic Zones are specified in the list of activities attached to this announcement.

3. In case projects are the targeted activities, the following rights and benefits shall be granted:

3.1 Exemption of import duties on machinery.

3.2 Exemption of corporate income tax for a period of 8 years not exceeding 100 percent of the investment capital (excluding cost of land and working capital).

3.3 Fifty percent reduction of corporate income tax on net profit derived from the investment for a period of 5 years as from the date on which the corporate income tax exemption period expires.

3.4 Double deduction of the costs of transportation, electricity and water supply for a period of 10 years as from the date of revenue derivation from the operation.

3.5 Deduction of the costs of installation or construction of facilities for 25 percent of the investment capital in addition to deduction of normal depreciation.

3.6 Exemption of import duties on raw and essential materials used in manufacturing for export for a period of 5 years.

3.7 Non-tax incentives.

4. Targeted activities are as follows:

- Activity 5.2.5 Manufacture of construction materials and pre-stressed concrete for public utilities

- Activity 5.4.15 Manufacture of metal platform for construction or fabrication industry

- Activity 6.4.2 Manufacture of plastic products for consumer goods (such as plastic packaging)

- Activity 6.6.7 Manufacture of products from pulp or paper such as paper boxes

- Activity 7.2.4 Building development for industrial plant and warehouse

The following rights and benefits shall be granted:

4.1 Exemption of import duties on machinery.

4.2 Exemption of corporate income tax for a period of 8 years with a cap not exceeding 100 percent of the investment capital (excluding cost of land and working capital).

4.3 Double deduction of the costs of transportation, electricity and water supply for a period of 10 years as from the date of revenue derivation from the operation.

- 4.4 Deduction of the costs of installation or construction of facilities for 25 percent of the investment capital in addition to deduction of normal depreciation.
- 4.5 Exemption of import duties on raw and essential materials used in manufacturing for export for a period of 5 years.
- 4.6 Non-tax incentives.

5. In case projects are general activities according to the Announcement of the Board of Investment No. 9/2565 regarding Measures to Promote Investment in Industries that are important to the Country's Development, the following rights and benefits shall be granted:

- 5.1 Exemption of import duties on machinery.
- 5.2 Exemption of corporate income tax for additional 3 years, but not exceeding 8 years in total.
- 5.3 In case projects are the activities in Group A1 or A2 which have already been granted 8-year corporate income tax exemption, they shall be granted for additional incentives of 50 percent reduction of corporate income tax on net profit derived from the investment for a period of 5 years as from the date on which the corporate income tax exemption period expires.
- 5.4 Double deduction of the costs of transportation, electricity and water supply for a period of 10 years as from the date of revenue derivation from the operation.
- 5.5 Deduction of the costs of installation or construction of facilities for 25 percent of the investment capital in addition to deduction of normal depreciation.
- 5.6 Exemption of import duties on raw and essential materials used in manufacturing for export for a period of 5 years.
- 5.7 Non-tax incentives.

6. In case projects and located in Special Border Economic Zones, in Narathiwat, the incentives shall be granted according to the Announcement of the Board of Investment No. 20/2565 regarding Investment Promotion Measure in the Southern Border Provinces, or the Announcement of the Board of Investment No. 21/2565 regarding Investment Promotion Measure in Model City Project in the Southern Border Provinces.

This announcement shall be effective from January 3, 2023, onward.

Announced on December 8, 2022.

General Prayut Chan-ocha

(Prayut Chan-ocha)

Prime Minister

Chairman of the Board of Investment

List of Targeted Activities and Conditions

Subsequent to Investment Promotion Measure in Special Border Economic Zones

Activities	Conditions
(1) Agricultural, Fishing and Relevant Industries	
1.1.2 Animal propagation or animal husbandry	Project must use modern technology such as closed house system, evaporative cooling system, automatic watering and feeding system, vector control measure and system, effective environmental protection, and impact reduction system.
1.1.3 Slaughtering	Project must use modern technology such as stunning method, shackle, cold storage, chilling system, meat quality and contaminant inspection.
1.1.4 Deep sea fishery	Project must obtain oversea fishing license by Department of Fisheries. License must be obtained before exercising the incentive of corporate income tax exemption and before the full operation deadline.
1.2.1.2 Manufacture of modified starch or starch made from plants that have special properties	
1.2.1.3 Manufacture of native starch or native flour	<ol style="list-style-type: none"> 1. Project must employ environmentally-friendly technology such as reusing water or air pollution control. 2. Project must be certified by international environmental standard such as ISO 14000 or an equivalent international standard. The certification must be completed before the full operation deadline.

Activities	Conditions
1.2.2 Manufacture of oil or fat from plants or animals	
1.2.4.1 Manufacture of natural rubber products	Products must contain natural products at least 51 percent by weight of raw material.
1.2.4.2 Manufacture of primary processed rubber	
1.2.5 Manufacture or preservation of food, beverages, food additives, food ingredients or dietary supplement products using modern technology	Manufacture of sugar and alcoholic beverages shall not be promoted.
1.2.6.4 Manufacture of medical food	<ol style="list-style-type: none"> 1. Manufacture of sugar and alcoholic beverages shall not be promoted. 2. Products must be registered as “medical food” with the Food and Drug Administration or other agencies with internationally accepted standard within the full operation start-up date. The registration must be completed before the full operation deadline.
1.2.8.3 Manufacture of animal feed or animal food ingredient certified by global standard	Project must be certified by international standards, such as HACCP and GMP. The certification must be completed before the full operation deadline.
1.2.9 Manufacture of products or packaging from agricultural products, by-products or agricultural waste or products from raw materials gained from by-products or agricultural waste	
1.2.10.1 Manufacture of fuel or pharmaceutical grade alcohol from agricultural products	

Activities	Conditions
1.2.11.2 Manufacture of natural extracts or products from natural extracts derived from the continual process within the same project	In manufacturing products from natural extracts derived from the continual process within the same project, the products must be registered as herbal products or equivalents with the Food and Drug Administration or other relevant agencies according to the law on herbal products. The registration must be completed before exercising the incentive of corporate income tax exemption and before the full operation deadline.
1.2.11.3 Manufacture of products from natural extracts without extraction process of natural raw materials	<ol style="list-style-type: none"> 1. Products must be registered as herbal products or equivalents with the Food and Drug Administration or other relevant agencies according to the law on herbal products. The registration must be completed before exercising the incentive of corporate income tax exemption and before the full operation deadline. 2. Project must be certified by international standard such as Good Manufacturing Practice (GMP) or an equivalent international standard. The certification must be completed before the full operation deadline.
1.3.1 Plant or animal breeding (only those that are not eligible for biotechnology activity)	For breeding of sensitive plants according to the policy of the Ministry of Agriculture and Cooperatives, project must have Thai nationality shareholders of not less than 51 percent of its registered capital.
1.4.2 Crop drying and silo facilities	
1.4.3.2 Grading and storage of agricultural products using modern technology	<ol style="list-style-type: none"> 1. Project must use modern technology, such as color sorter, vapor heat treatment to kill fruit fly eggs, seed coating, modified atmosphere

Activities	Conditions
	packaging (MAP), controlled atmosphere packaging (CAP), cold storage or freezing. 2. Rice grading and storage shall not be promoted.
1.4.3.3 Rice grading and storage using modern technology	
1.4.4.2 Cold storage, or cold storage and cold storage transportation	
1.4.5 Trading center for agricultural goods	1. Total area must not be less than 10 rai. 2. The area for operations and services related to agricultural goods must not be less than 60 percent of the total land area. Space must be allocated for agricultural exhibition or trade, auction center, cold storage, and silos. 3. Inspection, grading, and pesticide, hazardous residue inspection services for agricultural products must be provided.
(2) Manufacture of Medical Products and Services	
2.1.1.1 Manufacture of non-woven fabric	
2.1.1.2 Manufacture of hygienic products from non-woven fabric	
2.1.2.1 Manufacture of high-risk or high-technology medical devices	
2.1.2.2 Manufacture of other medical devices	Manufacture of medical devices made of fabrics or fibers shall not be promoted.
2.1.2.3 Manufacture of medical devices made of fabrics or fibers	1. Project must manufacture medical devices made of fabrics or fibers such as gowns, drapes, caps, face masks, gauze, or cotton wool.

Activities	Conditions
	2. Manufacture of gauze or cotton wool must start from raw cotton fabric or cotton yarn.
2.1.2.4 Manufacture of medical device parts	Project must be certified by medical device international standard such as ISO 13485 or an equivalent international standard. The certification must be completed before the full operation deadline.
2.1.4.1 Manufacture of targeted medicines	<ol style="list-style-type: none"> 1. Project must manufacture targeted medicine as announced by the Ministry of Public Health as of the submission date of promotion application. 2. Project must be certified by the international standard such as Good Manufacturing Practice (GMP) in accordance with Pharmaceutical Inspection Co-operation Scheme (PIC/S). The certification must be completed before the full operation deadline.
2.1.4.2 Manufacture of conventional medicines	Project must be certified by the international standard such as Good Manufacturing Practice (GMP) in accordance with Pharmaceutical Inspection Co-operation Scheme (PIC/S). The certification must be completed before the full operation deadline.
2.2.1.1 Specialty medical center	<ol style="list-style-type: none"> 1. Project must provide in shortage areas i.e., heart related issues (coronary artery disease, heart surgery, and heart failure), cancer related issues (chemotherapy and radiology), kidney related issues (dialysis center), physical therapy, and psychiatry. 2. Project must have appropriate human resource recruitment plans.

Activities	Conditions
	<ol style="list-style-type: none"> 3. Project must have tools and equipment that are approved by the Board. 4. Project must obtain health establishment license. The registration must be completed before exercising the incentive of corporate income tax exemption and before the full operation deadline. 5. Project must comply with the regulations on professional standards, or other relevant standards of the Ministry of Public Health. 6. Project must consider the distribution of services and the people's access to the centers. 7. Tools and equipment are allowed to be used with patients or other service recipients not directly related to the project. But the revenue thereof must not be included with the revenue that is eligible for corporate income tax incentives.
2.2.1.3 Traditional or applied Thai medical public service	<ol style="list-style-type: none"> 1. Project must obtain health establishment license. The registration must be completed before exercising the incentive of corporate income tax exemption and before the full operation deadline. 2. Project must comply with the regulations on professional standards, or other relevant standards of the Ministry of Public Health.
2.2.2.2 Health rehabilitation center	<ol style="list-style-type: none"> 1. Project must have medical technology for medical treatment and health rehabilitation, except narcotic drug therapy. 2. Project must have continuous rehabilitation programs, including overnight treatment.

Activities	Conditions
(3) Manufacture of Vehicle, Machinery and Parts	
3.1.2 Manufacture of machinery, equipment and parts and/or repair of mould and die	Project must have the forming process of parts and/or the engineering design.
3.1.3 Assembling of machinery and/or machinery equipment	Project must have assembling process as approved by the Board.
3.4.4 Manufacture of multi-purpose engines or equipment	
3.5.5 Manufacture of rubber tires for vehicle	
3.5.17 Manufacture of other vehicle parts	
3.7 Manufacture of motorcycles (except less than 248 cc engine displacement)	<ol style="list-style-type: none"> 1. Project must have structural welding process and spray-painting process, which are either manufactured by own company or other manufacturers. 2. Plan for manufacturing and utilization of parts must be proposed and approved by the Board.
(4) Manufacture of Electrical Appliances and Electronics	
4.2.4.3 Manufacture of flexible printed circuit boards, multilayer printed circuit boards or parts.	
4.2.4.4 Manufacture of printed circuit boards or parts	
4.2.5.3 Manufacture of printed circuit board assemblies (PCBA) or downstream products from PCBA in the same project.	
4.2.7.3 Manufacture of hard disk drives and/or critical parts	<ol style="list-style-type: none"> 1. Project must manufacture hard disk drives and/or critical parts such as spindle motors, suspensions, head gimbal assemblies and voice coil motors.

Activities	Conditions
	<p>2. The production of top covers or base plates or peripherals shall not be promoted.</p> <p>3. The cost of refurbishment of existing machines shall be regarded as an investment and will be taken into account in the calculation of corporate income tax exemption cap. The original cost of existing machines shall not be regarded as an investment.</p>
4.2.7.4 Manufacture of other parts of hard disk drive such as top covers, base plates, pins and filters	
4.2.7.5 Manufacture of external hard disk drives and other memory storage such as flash drives	
4.2.14.2 Manufacture of audio-visual products and parts	
4.2.15.2 Manufacture of office electronics and parts	
4.2.20 Manufacture of other electronics products and parts	
4.3.5 Manufacture of compressors and/or motors for electrical appliance	Project must have coil winding process or fabrication of stators or rotors in the project.
4.3.6 Manufacture of other electrical appliances, devices and part	
(5) Manufacture of Ceramic Products, Metal and Material	
5.2.2.3 Manufacture of ceramic products	Project must have forming, firing and/or annealing process.
5.2.3 Manufacture of fire-resistant materials or heat insulation (except aerated, and lightweight brick)	

Activities	Conditions
5.2.5 Manufacture of construction materials and pre-stressed concrete for public utilities	Project shall not eligible for a 50 percent reduction from the normal rate of corporate income tax.
5.4.15 Manufacture of metal platform for construction or fabrication industry	Project shall not eligible for a 50 percent reduction from the normal rate of corporate income tax.
(6) Manufacture of Plastic Products and Pulp	
6.4.1 Manufacture of plastic products for industrial goods and parts	Project must have plastic forming process.
6.4.2 Manufacture of plastic products for consumer goods (such as plastic packaging)	Project shall not eligible for a 50 percent reduction from the normal rate of corporate income tax.
6.4.3.1 Manufacture of multilayer plastic packaging through a co-extrusion process	Product must integrate not fewer 3 layers of plastics.
6.4.3.2 Manufacture of multilayer plastic packaging through lamination process or combination between lamination and co-extrusion process	Product must integrate not fewer than 4 layers of plastics.
6.4.4.1 Manufacture of aseptic plastic packaging certified by clean room standard	Project must be certified by clean room standard such as ISO 14611 Class 7 (Clean Room), Federal Standard 209 E Class 10000 or an equivalent international standard before exercising the incentive of corporate income tax exemption and before the full operation deadline.
6.4.5 Manufacture of antistatic plastic packaging	Project must be certified by clean room standard such as ISO 14611 Class 7 (Clean Room) or Federal Standard 209 E Class 10000 before exercising the incentive of corporate income tax exemption and before the full operation deadline.

Activities	Conditions
6.4.7.2 Manufacture of recycled plastic pellets including related products under the same project	<ol style="list-style-type: none"> 1. Project must use plastic scraps at least 70 percent of the total plastic raw materials (by weight). 2. Project must use domestic plastic scraps as raw materials.
6.5.3.2 Manufacture of recycled pulp including related products under the same project which use import paper scraps for recycled pulp production.	In case of manufacture product from continual process within the same project, project must use recycled pulp (self-produced) at least 80 percent of the total raw materials (by weight).
6.6.7 Manufacture of products from pulp or paper such as paper boxes	Project shall not eligible for a 50 percent reduction from the normal rate of corporate income tax.
9.14 Manufacture of printed matter	
(7) Public Utilities	
7.1.1 Production of electricity or electricity and steam from garbage or refuse derived fuel	
7.1.2 Production of electricity or electricity and steam from renewable energy such as solar energy, wind energy, biomass or biogas, etc. except from garbage or refuse derived fuel	In case of, production of electricity from solar energy, must have capacity of solar cell not less than 200 kilowatts at each power distribution point.
(8) Industrial Zones or Industrial Estates	
7.2.1 Industrial zone or industrial estate	<ol style="list-style-type: none"> 1. Project must have Thai nationality shareholders of not less than 51 percent of its registered capital. 2. Total land area of the project must not be less than 500 rai. 3. Factory-designated area must not be less than 60 percent and not more than 75 percent of the total area, except projects with a total

Activities	Conditions
	<p>area of over 1,000 rai, whose factory-designated area must be approved by the Board</p> <p>4. Other conditions as specified by the Board as follows:</p> <p>4.1 Standard of main road.</p> <ul style="list-style-type: none"> - In case of total land area of the project is over 1,000 rai, the road must have 4 lanes of not less than 30 meters wide, including road surface of not less than 14 meters wide, traffic island and pavement of not less than 2 meters wide each side and road shoulder or surface wide enough for an emergency stop. - In case of total land area of the project is over 500 and up to 1,000 rai, the road must have 2 lanes with road not less than 20 meters wide, including road surface of not less than 7 meters wide and pavement of not less than 2 meters wide each side and a road shoulder or surface wide enough for an emergency stop. <p>4.2 The minor road must have a surface of not less than 8.5 meters wide and a shoulder of not less than 2 meters wide each side.</p> <p>4.3 Wastewater treatment must be suitable for wastewater characteristics and according to legal effluent standards. Projects must have a post-treatment effluent pool.</p>

Activities	Conditions
	<p>4.4 Wastewater discharge system must be completely separate from rainwater discharge system.</p> <p>4.5 Project must have an appropriate system of collection and elimination of garbage, as approved by the Board.</p> <p>4.6 Factories located in industrial zones must be according to target industries, and not on the list of forbidden industries, specified in the environmental impact assessment report approved by the Expert Review Committee of the Office of Natural Resources and Environmental Policy and Planning (ONEP).</p> <p>4.7 The zone must provide factories located in the zone with sufficient public utilities, electricity, water, telephone service and post office.</p> <p>4.8 The zone must develop about 25 percent of its total land area, or as approved by the Board, for public utility services within 2 years from the date of investment promotion certificate issuance</p>
7.2.3.3 Gem and jewelry industrial zone	<ol style="list-style-type: none"> 1. Project must have Thai nationality shareholders of not less than 51 percent of its registered capital. 2. The total area must not be less than 100 rai. 3. Area for operations related to gems or jewelry must not be less than 40 percent of the total area. 4. Project must have an area for trading gems and jewelry.

Activities	Conditions
	<ol style="list-style-type: none"> 5. Projects must provide appropriate security systems. 6. Projects must have meeting rooms, exhibition halls and business centers.
7.2.3.4 Logistics Park	<ol style="list-style-type: none"> 1. Project must have Thai nationality shareholders of not less than 51 percent of its registered capital. 2. The total area must not be less than 200 rai and the project must invest in establishing a warehouse for lease or sale with a total area of not less than 50,000 square meters. 3. Project must be located either within 50 kilometers of a port, an airport, a customs checkpoint and an inland container depot (ICD) or in a Free Zone. 4. Project must designate some or the entirety of its area as a Free Zone. 5. Project must have a station to load and unload containers, or a truck terminal and a container depot that can handle at least 50 containers. 6. Project must install main telecommunication infrastructure that provides hi-speed communications that link the logistics park to domestic and international communication hubs.
7.2.4 Building development for industrial plant and warehouse	Project shall not eligible for a 50 percent reduction from the normal rate of corporate income tax.
(9) Manufacture of Textiles, Garments and Leather Products	
9.4 Manufacture of recycled fiber	Project must use domestic scraps or waste only.
9.5 Manufacture of other fiber or yarn or fabric	

Activities	Conditions
9.7 Manufacture of garments and household textiles	
9.8 Manufacture of bags or shoes or products made of leather or artificial leathers.	
9.10 Manufacture of sports equipment or parts	
(10) Manufacture of Gems and Jewelry	
9.9 Manufacture of gems and jewelry or parts including raw materials and prototype	
(11) Manufacture of Furniture	
9.12 Manufacture of furniture or parts	
(12) Tourism Promotion Services	
10.8.1 Ferry services or tour boat services or tour boat renting services	Bare-boat renting service for other to provide boat renting service shall not be promoted.
10.8.2 Tour boat port services	Project must have facilitating equipment such as boat lifting equipment, inland boat deck, or boat garage for maintenance purpose.
10.8.3 Amusement parks	<ol style="list-style-type: none"> 1. Project must have capital investment (excluding cost of land and working capital) of not less than 500 million baht. 2. Project details must be approved by the Board.
10.8.4 Thai cultural centers or Thai art and craft centers	<ol style="list-style-type: none"> 1. Project must have capital investment (excluding cost of land and working capital) of not less than 30 million baht. 2. Performance details must be approved by the Board. 3. Project must have Thai nationality shareholders of not less than 51 percent of its registered capital.

Activities	Conditions
10.8.5 Open Zoo	<ol style="list-style-type: none"> 1. Project must have capital investment (excluding cost of land and working capital) of not less than 500 million baht. 2. The area must not less than 500 rai. 3. Project details must be approved by the Board. 4. 15 percent of the total area must be allocated as green area and another 15 percent as car park.
10.8.6 Museum	<ol style="list-style-type: none"> 1. Project must have capital investment (excluding cost of land and working capital) of not less than 30 million baht. 2. Project details must be approved by the Board.
10.9.2 Convention Hall	<ol style="list-style-type: none"> 1. Total convention area must not be less than 4,000 square meters. Total area of the largest hall must not be less than 3,000 square meters. 2. Project must have suitable facilities and equipment. 3. Project's blueprints must be approved by the Board.
10.9.3 International exhibition center	<ol style="list-style-type: none"> 1. Indoor exhibition area must not be less than 25,000 square meters. 2. Every hall must have a business meeting room.
(13) Services	
10.7.1 Vocational training center	<ol style="list-style-type: none"> 1. Project must have teach or train technical courses in specific fields, including design training center, as approved by the Board.

Activities	Conditions
	<p>2. Project must have necessary equipment, vocational training lab, and others.</p>
<p>9.16 Motion picture support services</p>	<p>Motion picture support services shall include production of movies, documentaries, animation and commercial, which have one of the following scopes of business:</p> <ol style="list-style-type: none"> 1. Rental services of movie production equipment and/or movie production props must have main equipment/machinery such as camera, grip equipment, light set. 2. Film development and duplication services must have main equipment/machinery such as film development machine, film duplication machine, digital film duplication machine. 3. Sound recording services must have main equipment/machinery such as digital sound recorder, digital sound editing machine, digital sound mixing machine. 4. Picture technical services must have machines and equipment capable of creating special pictures that are not possible with cameras. The service providers must have main equipment and machinery such as standard definition/high definition digital recorders, editing suites, digital compositing and special effect creation. 5. Coordination services for foreign movie production in Thailand must include coordinating with related government agencies for permits, location scouting and sourcing of staff and movie equipment.

Activities	Conditions
	6. Standardized movie production studio rental services for movie and television program production, both indoor and outdoor studio.
10.10.7 Container yards or inland container depots (ICD)	
10.11.2 International distribution centers (IDC)	<ol style="list-style-type: none"> 1. The paid-up registered capital must not be less than 10 million baht. 2. Project must provide a goods storage facility that is controlled by a modern computerized system. 3. Project must have capital investment (excluding cost of land and working capital) of at least 100 million baht. 4. The center must distribute goods to at least 5 countries and the proportion of income from the management fee of product that customers distribute abroad must be more than 50 percent of the total income.
10.11.3 Distribution center (DC)	<ol style="list-style-type: none"> 1. The paid-up registered capital must not be less than 10 million baht. 2. Project must provide a goods storage facility that is controlled by a modern computerized system.